

# **Tax Incremental District (TID) Criteria Matrix**

Changes to Wisconsin's Tax Incremental Financing (TIF) law were approved by Governor Doyle in early 2004 and again in 2005. This matrix was developed as a guide to help identify TID criteria based on type and creation date of Tax Incremental Financing District. Existing TID sec. 66.1105 Wisconsin Statutes 2001-02 were affected by the 2003 Wisconsin Acts 126, 127, and 194 and 2005 Wisconsin Act 6. Wisconsin Act 231 (2003) created sec. 60.85, which provided for towns to have limited TIF powers. These acts are all fully implemented and in effect. The Department of Revenue will be posting additional information as it becomes available.

The matrix identifies the criteria for 66.1105 TID's & 60.85 TAF's. It does not identify the Environmental Remediation Tax Incremental District (sec. 66.1106) criteria due to maintaining the information on a single page.

To read the matrix, first look across the top at the type of TID. There are six different types identified as follows:

1. Existing TID's created before 10/1/95
2. Blighted TIDs
3. TIDs created in need of Rehabilitation or Conservation work
4. Industrial TID's
5. Mixed-Use TID's created after 10/1/04
6. Town Tourism, Agriculture, & Forestry TID's

The first column lists the requirement questions. By looking across the question row, you can find the criteria for a specific type of TID in the corresponding column.

## **FOR MORE INFORMATION PLEASE CONTACT:**

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## Tax Incremental District (TID) Criteria Matrix

	Wis. Stats. 2001-02 as affected by 2003 Wis. Acts 126, 127, & 194 and 2005 Wis. Act 6 Sec. 66.1105					Wis. Stats. 2001-02 as created by Act 231 Sec. 60.85
	Existing TID's	1. Blighted area 2. In need of Rehabilitation or Conservation work		3. Suitable for Industrial sites 4. Mixed-Use TIDs created after 10/1/04		Town - Tourism, Agriculture, & Forestry (TAF)
Creation Resolution date	Before 10/1/95	After 9/30/95 but before 10/1/04	After 10/1/04	After 10/1/95 but before 10/1/04	after 10/1/04	After 10/1/04
Expenditure Period (5 yrs prior to termination)	22 years (6)(am) 1.			18 years (6)(am) 1.	15 years (6) (am) 1.	5 years (6) (b) 1.
Maximum Life before extensions	27 years	27 years	27 years	23 years	20 years	16 years
Extensions Allowed	No	+ 4 yrs (7)(am)1.	+ 3 yrs (7) (am) 3.	No	+ 3 yrs (7) (am) 2.	No
Maximum Life if extension granted	27 years	31 years	30 years	23 years	23 years.	11 yrs after expenditure or 16 yrs maximum (6) (a) 2.
\$1,000 Fee required	Redeterminations for Territory Amendments	Certification or redeterminations for Terr. Amendments	Yes	Certification or redeterminations for Terr. Amendments	Yes	Yes
Tax Increment allocations (6)(e)1 a-d; 2, 3 New(6)(f)	Existing allocation criteria & new allocation criteria	New allocation criteria: Recipient districts are limited to Project costs for low-cost housing; remediate environmental contamination; or TID's declared to be blight or rehab districts				No
Written notice of termination sent to DOR	Within 60 days of termination resolution (8) (a).					Within 10 days of termination resolution (10) (a)
Final accounting to DOR after termination	DOR form by agreed date (8)(c). Must include: 1. Total municipal expenditures; 2. total project costs; 3. total increments; 4. total amount of outstanding project costs.					Feb 15 <sup>th</sup> of yr after term (10)(c)
Annexation restrictions (4) (gm) 1.	Just prior to creation or amendment	Just prior to creation or amendment	Yes (4) (gm) 1 - 3 yrs lapsed; pay town 5 yrs. taxes, boundary agreement	Just prior to creation or amendment	Yes (4) (gm) 1 - 3 yrs lapsed; pay town 5 yrs. taxes, boundary agreement	Yes (17)
Limitation restrictions (4)(gm)4.c.	12% - denial					5% & 7% - denial (3)(h) 5.d.
Number of territory amendments (4)(h)2.	Up to 4 times by subtracting or adding territory (or both) that does not change the contiguity of the district – 12% limitation requirement must be met when adding territory.					1 during 1 <sup>st</sup> 5 yrs - no more than 2 yrs. expenditure (3)(j)2.
City-owned Real Property included in base unless City Used (5)(bm)(c) & (d)	No	Yes (5)(bm),(c) & (d)	Yes (5)(bm)(c) & (d)	Yes (5)(bm),(c) & (d)	Yes (5)(bm),(c) & (d)	Yes (3)(L)